

April 7, 1982

LB 757

Senator Marsh. The motion is to readvance LB 757 to E & R for Grossment. Any discussion? Senator Chambers.

SENATOR CHAMBERS: Mr. Chairman and members of the Legislature, I am sure that this bill is going to be readvanced and I am sure this extra half a percent tax is going to be added. This is that tail end of the session when things are not thought through as carefully as they ought to be. As the repercussions begin to come in later, when the citizens realize what has been put upon them, then alibis, rationalizations and excuses are offered, but I think that the people in Omaha are going to react a lot more strongly than perhaps people in other areas. I just had it brought to my attention how a hub such as Grand Island can really profit from a sales tax because they will draw people from surrounding counties and cities to make a lot of purchases there. A lot of the tax is left in that county. The merchants do collect a percentage of all of the tax money they take in. I used to wonder how conservatives could be in favor of adding these taxes. I used to wonder why they wanted additional tax on their citizens in Grand Island. But when I find out that the gold mine or the windfall might be provided by people from outlying areas, suddenly I can understand it, and I don't fault them for that. If you feel that your job is to bring as much revenue into your community as possible, then you are doing that by imposing these types of taxes. But if on the other hand you view your responsibility as I view mine which is to keep undue burdens off the citizens, such a tax as this has no justification whatsoever. Every dollar that is spent in Omaha will cost an extra nickel. If you purchase a car in Omaha, that is when you really have an opportunity to see how much this sales tax does cost you. So if on the one hand you are talking about giving tax breaks to those who produce products that need to be purchased but then you are going to put heavy taxes on those who must make the purchases, then the one who would do the buying loses his or her inclination to make that purchase. So there is no way that I would support this proposition or any other like it. If I had leaned with any favor toward what Lincoln is trying to do, I certainly won't go for that now. There is no way that I would support any type of proposition that would try to increase the sales tax in Omaha. But what I am going to try to do when the Lincoln bill comes up...I see this as a very important matter, is to cut at least a half a cent sales tax off what Omaha can levy, then while allowing the state to take from its tax base which is the sales tax, I will try to save the citizens of Omaha hold, at least not cause an additional tax to be placed upon them by this action of the Legislature. That may not be accepted, but I would advise Senator Landis

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